

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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| In the Matter of |) | |
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| High-Cost Universal Service Support |) | WC Docket No. 05-337 |
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| Federal-State Joint Board on Universal Service |) | CC Docket No. 96-45 |
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COMMENTS OF THE IDAHO PUBLIC UTILITIES COMMISSION

The Idaho Public Utilities Commission (IPUC) submits these comments in response to the Notice of Proposed Rulemaking issued by the Federal Communications Commission (FCC or Commission) on May 14, 2007, CC Docket No. 96-45. The Commission requested comments on the recommendation of the Federal-State Joint Board on Universal Service that the Commission take immediate action to rein in the explosive growth in high-cost universal service support disbursements. The Joint Board recommended the Commission impose an interim, emergency cap on the amount of high-cost support that competitive eligible telecommunications carriers (CETCs) may receive.

The IPUC does have concerns with the identical support rule and supports the implementation of an interim cap, believing it is necessary to facilitate a comprehensive solution to the issues of USF funding. However, the IPUC also agrees with many other parties in advocating a comprehensive solution that addresses the myriad issues associated with USF funding.

The IPUC's primary concern with the interim cap is that interim actions tend to become semi-permanent as issues lose their urgency or as the process of addressing them drags on. For that reason, the IPUC opposes any extension of the cap beyond the one-year proposal. The issues surrounding the USF are not new and have been discussed and debated over the past few years. The IPUC believes it is time to make a final decision on these issues and get the USF back on the path of long-term sustainability.


Certainly the IPUC has some parochial concerns with the cap. Idaho is one of the states with a 2006 funding level of zero. To the extent that the cap is allowed to extend beyond the one-year term, this could prove to be detrimental to Idaho's own interests as wireless or other

providers apply for and qualify as CETCs. These Idaho CETCs will not be eligible for funding to build out their networks as CETCs are in other states. While this is not a large concern for Idaho for the one-year period, if the cap were to extend beyond one year, we believe Idaho and other similarly situated states would be harmed. If the cap is frozen beyond the one-year period, the IPUC believes accommodations should be made for states with low 2006 funding levels.

The IPUC also has questions concerning implementation of the Joint Board's recommendation. For example, what happens to CETC applications that are approved in the interim period between the end of 2006 and the date of any FCC order? This is particularly applicable for states such as Idaho that have 2006 funding levels of zero or very small amounts. Will those CETCs lose whatever funding they may have coming to them as funding levels revert to 2006 levels? Should funding levels be frozen at levels in existence at the time of any FCC orders? The IPUC believes these and other questions should be addressed in any FCC decision implementing the Joint Board's recommendation.

Respectfully submitted this 6th day of June 2007.

FOR THE IDAHO PUBLIC UTILITIES COMMISSION

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